GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:535
ANSWERED ON:26.02.2016
Development of Cooperative Sector
Biswas Shri Radheshyam

Will the Minister of FINANCE be pleased to state:

(a) whether Government has received representations from various State Governments and social organisations with regard to development of cooperative sector;

(b) if so, the details thereof; and

(c) whether the Government has any plan to exempt farmers from agricultural cooperative loans, if so, the details thereof?

Answer

The Minister of State in the Ministry of Finance

(a) & (b): Yes, Madam, Government has been receiving references with regard to development of cooperative sector. Details of some of the major issues involved are given in Annexure.
(c) There is no proposal under consideration of Government for waiver of the agricultural loans taken from cooperative banks. However, to ease the burden of farmers, the Government implements the Interest Subvention Scheme, under which the short term crop loan upto Rs.3 lakh taken from banks including Cooperative Banks is available at the interest rate of 7% p.a. and the same gets reduced to 4% in case of timely repayment.